

1 **..Title**

2 **AAMC Lease Agreement for Stanton Center** – For the purpose of approving the lease
3 for certain City-owned space in the Stanton Center to Anne Arundel Medical Center; and
4 matters generally relating to said lease.

5 **..Body**

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**CITY COUNCIL OF THE
City of Annapolis**

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Ordinance 10-15

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Sponsored by: Mayor Pantelides

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14 **Referred to**

15 Finance

16 Rules and City Government

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19 **An ORDINANCE** concerning

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AAMC Lease Agreement for Stanton Center

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23 **FOR** the purpose of approving the lease for certain City-owned space in the Stanton
24 Center to Anne Arundel Medical Center; and matters generally relating to said lease.

25

26 **WHEREAS**, the City of Annapolis is the fee simple owner of the property known and
27 described as 92 West Washington Street , Annapolis, Maryland 21401, which is
28 improved by Stanton Community Center, and the City has space therein to lease; and

29

30 **WHEREAS**, the Anne Arundel Medical Center desires to lease approximately six
31 hundred forty-four square feet (644 sq.ft.) or three and eighty nine-one hundredths
32 percent (3.89%) of the Stanton Center, which includes shared use of the common areas,
33 and as more particularly described in **Exhibit A** attached hereto and incorporated herein;
34 and

35

36 **WHEREAS**, the Anne Arundel Medical Center wishes to lease the space for the purpose
37 of a dental clinic; and

38

39 **WHEREAS**, the City is willing to lease the space to Anne Arundel Medical Center for
40 the purposes described and in accordance with the terms and conditions set forth in the
41 Lease Agreement attached hereto and incorporated herein; and

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43 **WHEREAS**, Article III, Section 8 of the Charter of the City of Annapolis requires the
44 passage of an ordinance to authorize the lease; and

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SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the Lease Agreement, a copy of which is attached hereto and made a part hereof, between Anne Arundel Medical Center and the City of Annapolis for the lease of certain municipal property, is hereby approved and authorized.

SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that in accordance with Article III, Section 8 of the Charter of the City of Annapolis, the proposed lease of City-owned property will better serve the public need for which the property was acquired.

SECTION III: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that this Ordinance shall take effect from the date of its passage.

EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.
~~Strikethrough~~ indicates matter stricken from existing law.
Underlining indicates amendments

CITY OF ANNAPOLIS LEASE AGREEMENT

This Lease Agreement (“Lease”) is made this ____ day of _____ 2015, by and between The City of Annapolis, a municipal corporation of the State of Maryland (“City”), and Anne Arundel Medical Center, Inc., a Maryland corporation, its successors and assigns (collectively, the “Tenant”).

WHEREAS, the City is the fee simple owner of the property known and described as 92 West Washington Street, Annapolis, Maryland 21401 (the “Property”), which is improved by Stanton Community Center (the “Building”), and the City has space therein to lease; and

WHEREAS, the Tenant desires to lease approximately six hundred forty-four square feet (644 sq.ft.) for a dental clinic or three and eighty nine-one hundredths percent (3.89%) of the Building, which includes shared use of the common areas (collectively, the “Premises”), and as more particularly described in **Exhibit A** attached hereto and incorporated herein; and

WHEREAS, the Tenant wishes to lease the Premises for the purpose of a dental clinic; and

WHEREAS, the parties desire to enter into this Lease that defines the rights, duties, and liabilities of the parties.

NOW, THEREFORE, in consideration of the mutual promises and covenants of this Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Tenant agree as follows:

1. TERM

a. The City leases to the Tenant and the Tenant hereby leases from the City the Premises for a Term commencing upon City Council approval and terminating on June 30, 2015 (the “Term”), unless sooner terminated in accordance with the provisions of this Lease.

b. Provided that the Tenant is not otherwise in default under this Lease and continues to occupy the Premises, this Lease shall be automatically renewed for five (5) additional successive terms of one (1) year upon the same terms and conditions in this Lease (each a “Renewal Term and collectively the “Renewal Terms”). Each Renewal Term shall commence and run with the City fiscal year (July 1st – June 30th). This Lease shall automatically renew at the conclusion of the Term and each Renewal Term without further action by the City unless the City notifies the Tenant in writing, not later than the end of the then-current term, that the Lease shall not be renewed.

c. The City expressly reserves the right to adjust any rent for any Renewal Term.

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2. USE OF PREMISES

a. The Tenant may use and occupy the Premises during the Term of this Lease only for the purpose of a dental clinic and for no other purpose whatsoever. The space in the Building leased to the Annapolis Youth Services Bureau and We Care and Friends, Inc. is expressly and specifically excluded from this Lease.

b. The Tenant accepts the Premises in “as is” condition. The City makes no representation or warranty with respect to the condition or state of the Premises, or its fitness for any particular use, and the City shall not be liable for any latent or patent defect thereon. Unless as otherwise expressly provided in this Lease, the City does not make, and specifically disclaims, any representations, warranties or covenants of any kind or character, express or implied, with respect to the nature, condition, economical, functional, environmental or physical condition of the Premises.

c. The Tenant shall not use or occupy or permit the Premises, or any part thereof including, but not limited to, the Property and the Building, to be used or occupied, nor do or permit anything to be done in or on the Premises in a manner which would in any way (1) violate any of the terms of this Lease; (2) make it difficult for either the City or the Tenant to obtain fire or other insurance required by this Lease at standard rates; (3) cause or create a public or private nuisance in or on the Premises or the Property; or (4) tend to impair or interfere with the character, reputation or appearance of the Premises, the Property, and/or the Building.

d. The Tenant shall limit the placement and location of its equipment, fixtures, improvements, advertisements and other property to the confines of the Premises, and shall keep the common areas, parking lots, alleyways and adjacent sidewalks of the Building and Property free from all such equipment, fixtures, improvements, advertisements and other property.

e. The Tenant shall coordinate the scheduling and acceptance of deliveries by 12:00 noon so as not to interfere with other tenants, traffic and/or parking at the Building.

3. RENT

a. As Annual Rent for the Premises, the Tenant shall pay the City One Dollar and No Cents (\$1.00) payable on the 1st day the Term and each Renewal Term (collectively, the “Rent”). Each payment shall be made promptly when due, without deduction, set off or counterclaim whatsoever, and without demand. All payments shall be made payable to the “City of Annapolis” and shall be sent or delivered to the Finance Director, Finance Department, City Hall, 160 Duke of Gloucester Street, Annapolis, Maryland 21401.

1 b. The Tenant shall also pay as additional rent all sums, taxes, assessments,
2 costs, expenses and other payments which the Tenant under any of the provisions of this
3 Lease assumes or agrees to pay (the "Additional Rent"), and in the event of any
4 nonpayment thereof, the City shall have all the rights and remedies provided in this Lease
5 and/or by law or at equity.
6

7 c. The Tenant shall also pay Additional Rent in the amount of Zero Dollars
8 and No Cents (\$0.00) per month for refuse removal, HVAC maintenance, water, sewer,
9 sanitation and other utilities, all to be provided by the City. If the Tenant's utility
10 requirements should increase or decrease during the Term or any Renewal Term, the
11 Tenant shall immediately notify the City in writing and the City, in its sole discretion,
12 may make a change to this monthly amount.
13

14 d. Except as otherwise provided for in this Lease, any Additional Rent shall
15 be due and payable thirty (30) calendar days after receipt of notice of amount due and
16 payable. All payments shall be made payable to the "City of Annapolis" and shall be sent
17 or delivered to the Finance Director, Finance Department, City Hall, 160 Duke of
18 Gloucester Street, Annapolis, Maryland 21401.
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20 4. QUIET ENJOYMENT

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22 The Tenant may peaceably and quietly have, hold and enjoy the Premises for the
23 Term of this Lease subject, however, to the terms of this Lease and compliance with
24 these terms.
25

26 5. UTILITIES, SERVICES

27

28 a. The City shall arrange for the furnishing of the following utilities:
29 electricity, heat, hot and cold water, sanitary drainage, and HVAC, that are used in
30 connection with the operation of the Premises, and the Tenant agrees to pay the monthly
31 fee established in Paragraph 3(c) of this Lease as reimbursement to the City for such
32 utilities.
33

34 b. The Tenant, at its sole cost and expense, shall arrange and pay for any
35 telephone, internet, cable, and similar services, including any necessary
36 telecommunications build-out of the Premises. The Tenant shall not arrange or pay for
37 any build-out of any telecommunications without the prior written consent of the City.
38

39 c. The Tenant, at its sole cost and expense, shall arrange and pay for any
40 housekeeping services and janitorial work that are necessary for the operation of the
41 Premises (other than space rented to other tenants), including, but not limited to, cleaning
42 any and all bathroom facilities, cleaning windows and floors, and all other general and/or
43 routine janitorial maintenance.
44

1 d. The City shall arrange and pay for all trash and recycling removal and
2 disposal on the Premises, and the Tenant agrees to pay the monthly fee established in
3 Paragraph 3(c) of this Lease as reimbursement to the City for such removal and disposal.

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5 e. The City shall be responsible for ice and snow removal on the Property.

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7 f. The City shall be responsible for grounds maintenance of the Property.

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9 6. ALTERATIONS

10
11 a. The Tenant shall not make or cause to be made any alterations, additions,
12 or improvements to the Premises without obtaining the prior written consent of the City
13 that may be withheld in the City's sole and absolute discretion. All work done in
14 accordance with any approved alterations, additions, or improvements shall be done in a
15 good and workmanlike manner, by professionals licensed in the State of Maryland, in
16 compliance with any necessary governmental permits and other approvals, and in
17 accordance with all applicable laws and ordinances of any public authority having
18 jurisdiction over the Premises.

19
20 b. The Tenant shall retain ownership of all of its trade and business
21 equipment and furnishings from time to time installed on the Premises. The Tenant may
22 remove any such fixtures, equipment or furnishings at any such time during the Term and
23 shall remove all of it prior to the expiration of the Lease. Removal shall not cause any
24 damage to the Premises or the Property. The Tenant shall pay for any damages it may
25 cause, which shall be due and payable by the Tenant within thirty (30) calendar days of
26 City invoicing. Any such property not removed at the expiration of the Term shall be
27 deemed abandoned and, at the election of the City, shall become the property of the City
28 without payment of any kind to the Tenant, without increasing the City's liability to the
29 Tenant, and for any disposition of it the City decides to make.

30
31 7. REPAIRS AND MAINTENANCE

32
33 a. The Tenant, at its own cost and expense, shall keep and maintain the
34 Premises (other than space rented to other tenants) in good order and condition, and cause
35 no waste or damages thereto. At the expiration of this Lease, the Tenant shall surrender
36 the Premises broom clean and in the same order and condition in which they were on the
37 commencement date, ordinary wear and tear accepted.

38
39 b. The Tenant shall maintain all equipment and improvements in the
40 Premises, including, but not limited to, all plumbing and electrical in accordance with all
41 applicable federal, state, local and City laws, rules and regulations. The City shall
42 maintain the central heating and plumbing systems for the common areas of the Building
43 and the electrical wiring servicing the Building, and the Tenant agrees to pay the monthly
44 fee established in Paragraph 3(c) of this Lease as reimbursement to the City for such
45 maintenance.

46

1 c. The City shall make all structural repairs, including, but not limited to,
2 structural columns and floors, the roof, and the exterior walls of and parking facilities
3 servicing the Premises.

4
5 d. Prior to the Tenant repairing, replacing or otherwise altering any aspect of
6 the Premises or the Property, the Tenant shall provide the City with thirty (30) calendar
7 day prior written notice specifying the need for and nature of any and all such repairs,
8 replacements or alternations, and providing the City with a copy of all applicable
9 contracts or agreements with any third party hired by the Tenant to perform such repairs,
10 replacements or alterations. The Tenant or its contractors shall not start or undertake any
11 such repairs, replacements or alterations without the prior written approval of the City,
12 and without first obtaining all necessary permits and governmental approvals. Such
13 repairs, replacements or alterations shall be made and rendered by professional
14 contractors licensed in the State of Maryland, and shall comply in all respects with all
15 applicable federal, state, local and City laws, ordinances and regulations, including, but
16 not limited to, zoning, building and fire code requirements.

17
18 e. If the City is required to make any repairs to such portions of the Premises
19 by reason, in whole or in part, of the negligent or willful act or failure to act by the
20 Tenant or the Tenant's employees, agents, contractors, guests or invitees, the City may
21 collect the cost of any and all such repairs from the Tenant as Additional Rent, which
22 shall be due and payable by the Tenant within thirty (30) calendar days of City invoicing.

23
24 f. The City shall have no liability to the Tenant by reason of any
25 inconvenience, annoyance, interruption, or injury to business or other use or occupancy
26 arising from making any repairs or changes that the City is required or permitted to make
27 in or to any portion of the Premises, the Building, the Property, or the common areas, by
28 any other tenant's lease, or by law.

29 30 8. SIGNS

31
32 The Tenant shall not to place or maintain any sign, billboard, marquee, awning,
33 decoration, placard, lettering, advertising matter or other thing of any kind, whether
34 permanent or temporary, on the exterior of the Premises or the Building or on the glass or
35 any window or door of the Premises or the Building, without first obtaining the City's
36 written consent. The Tenant shall maintain any sign, billboard, marquee, awning,
37 decoration, placard, lettering or advertising matter or other thing of any kind, as may be
38 approved by the City, and shall repair and replace when necessary to keep in good
39 condition and repair at all times.

40 41 9. DRIVEWAYS AND FOOTWAYS

42
43 a. The Tenant's employees, agents, contractors, clients, guests, and invitees
44 shall be entitled to the non-exclusive use, free of charge, but in common with others, of
45 the driveways and footways within the Property, subject to any rules and regulations as
46 the City may, from time to time, require.

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2 b. The City shall at all times have full and exclusive control, management
3 and direction of all driveways and footways. The City may restrict access to, temporarily
4 close, construct, adjust, reduce or perform such other acts to all or any portion of these
5 facilities as the City determines to be necessary or appropriate.

6
7 c. The City shall have the right, but not the duty, to police all driveways and
8 footways.

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10 10. NON-DISCRIMINATION

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12 a. The Tenant shall not discriminate against any person with regard to
13 membership policies, employment practices, or in the provision of or access to services
14 based on race, color, religion, national origin, ancestry, sex, age, or disability.

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16 b. This provision shall not be construed to prevent the Tenant from rendering
17 services pursuant to this Lease to categories of individuals with specific needs.

18
19 11. CITY RIGHTS

20
21 a. Upon reasonable prior notice from the City to the Tenant, the City shall
22 have the exclusive right to use all or any part of the roof and rear and side walls of the
23 Premises and Building for any purpose; to erect additional stories or other structures over
24 all or any part of the Premises, the Building or the Property; and to erect and maintain in
25 connection with the construction thereof, temporary scaffolds and other aids to
26 construction on the exterior of the Premises or the Building, In such event, the City may
27 temporarily and reasonably limit or restrict access to the interior of the Premises.

28
29 b. Upon reasonable prior notice from the City to the Tenant, the City shall
30 have the right to use the Premises, the Building and the Property for all purposes, as long
31 as such use does not preclude the Tenant's reasonable use of the Premises as described.

32
33 12. ASSIGNMENT

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35 The Tenant shall not assign or sublet this Lease, or permit other persons to occupy
36 the Premises, or grant any license or concession for the Premises without the prior written
37 approval of the City.

38
39 13. SECURITY, PROPERTY LOSS DAMAGE

40
41 a. The Tenant assumes all risks associated with the security of the Premises
42 (other than space rented to other tenants) and the Property. The City shall have no
43 obligation or duty with regard to security. The Tenant shall police, light and maintain the
44 Premises (other than space rented to other tenants) and the Property in a clean, safe and
45 secure manner.

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1 b. The Tenant shall not under any circumstances issue any no trespass
2 notices, whether oral or written, or exclude any individual from the Premises or the
3 Property for any reason, except to prevent a crime from being committed on the Premises
4 or the Property. If the Tenant desires to issue any no trespass notices or exclude any
5 individual from the Premises and/or the Property, the Tenant shall send a written request
6 to the City and the City shall make the ultimate decision how and if to act on this request.

7
8 c. The City, its elected officials, appointees, directors, employees, agents,
9 contractors and representatives (the "Indemnified Parties") shall not be liable for any
10 damage to property of the Tenant or of others located on the Premises or entrusted to its
11 or their employees nor for the loss of any property by theft or otherwise, nor for any
12 injury or damage to persons or property resulting from theft, casualty, acts of God, fire of
13 every nature and type, the accumulation of snow or ice, explosion, falling plaster, steam,
14 gas, electricity, wind, water, rain or snow which may overflow or leak or be discharged
15 from any part of the Premises, the Property, and/or the Building or from the pipes,
16 appliances or plumbing works of the same or from the street or subsurface or from any
17 other place, or from dampness, or from any other cause whatsoever; nor shall the City be
18 liable for any such damage caused by other tenants or persons in the Premises, the
19 Property, and/or the Building, or for damage caused by operations in construction of any
20 public or quasi-public works. All property of the Tenant kept or stored on the Premises
21 shall be so kept at the risk of the Tenant only and the Tenant shall indemnify, defend and
22 hold the Indemnified Parties harmless from any claims arising out of damage to the same,
23 including subrogation claims by the Tenant's insurance carrier.

24 25 14. COMPLIANCE WITH LAWS

26
27 The Tenant, at its sole cost and expense, shall keep in force all licenses, consents
28 and permits necessary for the lawful use of the Premises for the purposes of this Lease.
29 The Tenant, at its sole cost and expense, shall promptly comply with and do all things
30 required by any notice served upon it or upon the City in relation to the Premises or any
31 part thereof, from any of the departments or agencies of the City, a county, the State of
32 Maryland, or the United States, if the same shall be caused by the Tenant's use of the
33 Premises. The Tenant shall pay all costs, expenses, claims, fines, penalties, and damages
34 that may in any manner arise out of the failure of the Tenant to comply.

35 36 15. INSURANCE

37
38 a. The Tenant, at its sole cost and expense, shall maintain in full force and
39 effect during the Term of this Lease, and any Renewal Term, the following insurance
40 coverages insuring against claims that may arise from or in connection with the Tenant's
41 operation and use of the Premises.

42
43 1. Commercial General Liability Insurance Policy, including
44 contractual liability and property liability insurance for the Premises, written on an
45 occurrence basis, in adequate quantity to protect against legal liability arising out of this

1 Lease, but no less than \$1,000,000.00 per occurrence in the aggregate, using a Combined
2 Single Limit for bodily injury and property damage.

3 2. Workers Compensation insurance as required by Maryland law,
4 with limits of at least \$100,000.00 per accident and \$500,000.00 per occupational disease
5 for each employee.

6 b. On all Commercial General Liability Insurance policies, the City, its
7 elected officials, appointees, directors, employees, agents, contractors and representatives
8 shall be named as additional insureds, which shall be shown on insurance certificates
9 furnished to the City.

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11 c. Such policy or policies of insurance shall contain a provision by which the
12 insurer waives any right of subrogation against the City arising out of any loss covered by
13 such insurance.

14
15 d. The City shall not be liable to the Tenant for any damage to the Tenant's
16 property caused by the negligence or intentional acts of any other tenant in the Premises,
17 or caused by any condition existing on or emanating from the property of any other
18 tenant which is caused by such tenant or any of its agents or contractors.

19
20 e. The Tenant shall insure and protect itself against injury, loss or damage to
21 its property arising from any cause whatsoever, including omission, fault, negligence or
22 other conduct of the City, through procurement of insurance coverage, without subjecting
23 the City to liability to the Tenant for any injury, loss or damage which may be insured
24 against, and further, without subjecting the City to subrogation claims of any insured.

25
26 f. The Tenant shall submit to the City, simultaneously with the execution of
27 this Lease, Certificates of Insurance evidencing the coverage required by this Lease
28 before commencing the Term of this Lease. Such certificates shall provide that the City
29 be given at least thirty (30) calendar days prior written notice of any cancellation of,
30 intention not to renew, or material change in coverage.

31
32 g. The Tenant's insurance policy or policies shall not relieve the Tenant of
33 any of its responsibilities or obligations under this Lease or for which the Tenant may be
34 liable by law or otherwise.

35 h. The Tenant's insurance policy or policies shall be issued by an insurance
36 company(s) authorized to do business within the State of Maryland.

37
38 i. The required insurance shall be primary to any other valid and collectable
39 insurance.

40
41 j. The Tenant's failure to provide and continue in force the insurance policy
42 or policies required by this Lease shall constitute a material breach of this Lease and shall
43 operate as an immediate termination of this Lease.

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1 16. INDEMNIFICATION

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3 a. The Tenant shall be solely responsible for any and all injuries and
4 damages to persons and property resulting from any breach or default of this Lease by the
5 Tenant, or any negligent or intentional act or omission by the Tenant in carrying out the
6 terms of this Lease or otherwise arising from this Lease.
7

8 b. The Tenant shall indemnify, defend and hold the Indemnified Parties
9 harmless from and against all liability for injuries to persons, including death, and
10 damage to the Premises, the Building, or the Property arising from acts or omissions of
11 the Tenant, its officers, agents, employees, contractors, patrons, volunteers, guests or
12 invitees resulting in connection with this Lease. The Tenant shall also indemnify, defend
13 and hold the Indemnified Parties harmless from and against any and all liabilities, claims,
14 suits, or demands which may be made against the Indemnified Parties by any third party
15 arising from the alleged violation of any third party's trade secrets, proprietary
16 information, trademark, copyright, patent rights, or other intellectual property rights, or
17 from the alleged violation of unfair competition, defamation, invasion of privacy, anti-
18 discrimination laws or regulations, or any other right of any person or entity in
19 connection with the Tenant's use of the Premises or the Property under this Lease.
20

21 c. The Tenant's indemnifications include reasonable attorney fees and costs
22 incurred by the City in defending any claims, complaints, causes of action, lawsuits, or
23 other such actions.
24

25 d. The City, in its sole discretion, may participate in handling its own defense
26 or exclusively handle its own defense, and select its own attorneys, including the City
27 Attorney. The indemnification for attorney fees applies whether or not the City Attorney
28 or other attorney handles the defense.
29

30 e. Tenant indemnification does not limit any immunity which the
31 Indemnified Parties are entitled to assert, and includes all costs and expenses, including
32 attorney's fees, whether or not related to administrative or judicial proceedings.
33

34 f. The Tenant shall reimburse the City, within thirty (30) calendar days after
35 invoicing for such reimbursement, for any damage to the Premises, the Building, and the
36 Property caused by the negligence or willful misconduct of the Tenant, its officers,
37 agents, employees, contractors, patrons, volunteers, guests or invitees.
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39 17. IMPAIRMENT OF THE CITY'S TITLE

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41 The Tenant shall not have the right, power, or permission to do any act or to make
42 any agreement that may create, give rise to, or be the foundation for, any right, title,
43 interest, lien, charge, or other encumbrance on the estate of the City in the Premises, the
44 Building, or the Property. The Tenant shall not permit any part of the Premises, the
45 Building, or the Property to be used by any person or persons or by the public at any time
46 or times during the Term of this Lease, in such manner as might tend to impair the City's

1 title to or interest in the Premises, the Building, or the Property, or in such manner as
2 might make possible a claim or claims of adverse use, adverse possession, prescription,
3 dedication, or other similar claims of, in, to, or with respect to the Premises, the Building,
4 or the Property.

6 18. LIENS AND ENCUMBRANCES

7
8 a. The Tenant shall not permit any liens for labor or materials to attach to the
9 Premises, the Building, or the Property as a result of the improvements made or
10 constructed upon the Premises, the Building, or the Property by the Tenant and if such
11 liens do attach, the Tenant shall immediately cause such liens to be discharged of record
12 or bonded for the full amount of the lien. Failure of the Tenant to discharge or bond for
13 the full amount of any lien with thirty (30) calendar days of receipt of notice thereof shall
14 be cause for the City, at its option, to immediately terminate this Lease and sue the
15 Tenant for damages.

16
17 b. During the Term of this Lease, the Tenant shall not mortgage or encumber
18 the Premises or the Property.

20 19. TAXES AND ASSESSMENTS

21
22 a. The Tenant shall pay all impositions including all state, county and City
23 taxes (including real estate ad valorem, sales, use, and occupancy taxes), and assessments
24 of any kind and nature whatsoever, including all interest and penalties on them, which
25 shall or may accrue or be incurred during the Term of this Lease. The Tenant shall pay all
26 such taxes and assessments before any fine, penalty, interest, or cost may be added for
27 nonpayment, and shall furnish to the City, on request, official receipts or other
28 satisfactory proof evidencing such payment. If any tax or assessment is payable in
29 installments over a period of years, the Tenant shall be liable only for payment of those
30 installments falling due and payable during the Term, with appropriate pro-ration in case
31 of fractional years.

32
33 b. Taxes and assessments shall not be deemed to include any municipal, state
34 or federal income taxes assessed against the City, or any municipal, state or federal
35 capital levy, estate, succession, inheritance or transfer taxes of the City, or any franchise
36 taxes imposed on the City, or any income, profits or revenues tax, assessment or charge
37 imposed on the rent received as such by the City under this Lease.

39 20. THE CITY'S RIGHT OF ENTRY

40
41 a. The City and its employees, representatives, agents, and servants,
42 including any builder or contractor employed by the City, shall have the absolute
43 unconditional right at any and all reasonable times without any prior notice to the Tenant
44 to enter the Premises or the Property for any of the following purposes: (a) to inspect the
45 Premises and the Property; (b) to make such repairs and/or changes in the Premises or the
46 Property as the City may deem necessary or proper; (c) to enforce and carry out any

1 provision of this Lease; (d) for any purpose relating to the safety, protection or
2 preservation of the Premises or the Property; or (e) for any other purpose related to the
3 enforcement of this Lease.

4
5 b. The Tenant shall provide the City with a complete and current set of keys
6 to all entrances and exits to the Premises.

7
8 c. The City shall use reasonable efforts to minimize interference to the
9 Tenant's business or use of the Premises or the Property when making inspections or
10 repairs, but the City shall not be required to perform the inspections or repairs at any time
11 other than during normal working hours.

12 21. RESERVATION OF GOVERNMENTAL AUTHORITY

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15 The City reserves the right at all times to exercise full governmental control and
16 regulation with respect to all matters connected with this Lease not inconsistent with the
17 terms of this Lease.

18 22. DEFAULTS OR BREACH

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20
21 a. The occurrence of any one (1) of the following events shall constitute a
22 Default or Breach under the terms of this Lease:

23
24 1. Failure by the Tenant to make any payment of Rent, Additional
25 Rent, or any other payment required to be made by the Tenant under this Lease and the
26 Tenant fails to remedy such default within five (5) business days after any such payment
27 is due and payable.

28
29 2. Failure by the Tenant to observe or perform any of the covenants,
30 conditions or provisions of this Lease.

31
32 3. The Tenant's any general assignment or general arrangement for
33 the benefit of creditors, the filing by or against the Tenant of a petition to have the Tenant
34 adjudged a bankrupt or a petition for reorganization or arrangement under any law
35 relating to bankruptcy (unless in the case of a petition filed against the Tenant, the same
36 is dismissed within sixty (60) calendar days), the appointment of a trustee or receiver to
37 take possession of substantially all of the Tenant's property located in the Premises or the
38 Tenant's interest in this Lease where such seizure is not discharged or bonded within ten
39 (10) business days, the attachment, execution or other judicial seizure of substantially all
40 of the Tenant's interest in this Lease, where such seizure is not discharged or bonded
41 within ten (10) business days.

42
43 4. Vacating or abandonment of the Premises by the Tenant.

44
45 5. Any material misrepresentation by the Tenant to the City in
46 connection with the negotiation or execution of this Lease.

1
2 b. Upon the occurrence of a Default or Breach, the City may, after giving the
3 Tenant ten (10) calendar days written notice, proceed in the following manner:

4
5 1. Terminate this Lease and the Tenant's right to possession of the
6 Premises and with or without legal process, re-enter and take possession of the Premises
7 and remove the Tenant, any occupant and any property therefrom, without being guilty of
8 trespass or being liable to any suit, action or prosecution therefore, which liability the
9 Tenant hereby expressly waives, and without relinquishing any rights of the City against
10 the Tenant. Notwithstanding such re-entry and termination of this Lease, the Tenant shall
11 remain liable to the City for any payments or damages, including, but not limited to,
12 outstanding Rent and Additional Rent and attorneys' fees, due or sustained prior thereto;
13 or

14
15 2. Maintain the Tenant's right to possession, in which case this Lease
16 shall continue in effect, whether or not the Tenant shall have abandoned the Premises. In
17 such event, the City shall be entitled to enforce all of the City's rights and remedies under
18 this Lease, including the right to recover the Rent and Additional Rent as it becomes due
19 hereunder.

20
21 c. No act or omission by the City shall be deemed to be an acceptance of a
22 surrender of the Premises or a termination of the Tenant's liabilities under this Lease,
23 unless the City shall execute a written release of the Tenant. The Tenant's liability under
24 this Lease shall not be terminated by the execution by the City of any new lease for all or
25 any portion of the Premises or the acceptance of rent from any assignee or subtenant.

26
27 d. The City, in its sole discretion, may afford the Tenant a reasonable time to
28 cure any default or breach of this Lease before declaring a Default or Breach and
29 terminating this Lease.

30 23. TERMINATION FOR CONVENIENCE

31
32
33 The City may terminate this Lease for convenience, for any reason, and at any
34 time by providing thirty (30) calendar days prior written notice to the Tenant. Any such
35 termination of this Lease by the City shall not discharge the Tenant from any obligation it
36 may have to the City by reason of any transaction, loss, cost, damage, expense or liability
37 which shall occur or arise (or the circumstances, events or basis of which shall occur or
38 arise) prior to such termination, whether the same be known or unknown at the time of
39 such termination.

40 24. SURRENDER OF PREMISES

41
42
43 On the last day or earlier termination of this Lease, the Tenant shall vacate the
44 Premises and leave it in good condition and repair, normal wear and tear excepted. If the
45 Premises are not surrendered when required, the Tenant shall indemnify, defend and hold
46 the Indemnified Parties harmless against loss or liability resulting from the delay by the

1 Tenant in vacating the Premises, including, without limitation, any claims made by any
2 succeeding tenant or other occupant founded on such delay. Any holding over with the
3 consent of the City after the termination of this Lease shall be construed to be a tenancy
4 from month-to-month upon the same terms and conditions as provided in this Lease, to
5 the extent applicable.

6

7

25. MODIFICATION

8

9 a. This Lease sets forth the entire agreement between the parties relative to
10 the subject matter of this Lease. No representation, promise or condition, whether oral or
11 written, not incorporated herein shall be binding upon either party to this Lease. This
12 Lease shall not be waived, amended or modified except in writing and signed by the
13 authorized representative(s) of both parties.

14 b. No act by any representative or agent of the City, other than such a written
15 agreement and acceptance by the City, shall constitute an acceptance thereof.

16

17

26. REPRESENTATIONS AND WARRANTIES

18

19

The Tenant represents and warrants to the City that:

20

21 a. The Tenant is a corporation organized under the laws of the State of
22 Maryland, qualified to do business and in good standing in the State of Maryland, and
23 authorized to conduct the business in which it is engaged and as described in this Lease.

24

25

b. The Tenant is authorized to execute, deliver and perform this Lease.

26

27

c. The Tenant shall not violate the order of any court or governmental
28 authority or breach any contract or other agreement by entering into this Lease.

29

30

d. There are no actions, suits, etc. pending or, to the best of its knowledge,
31 threatened against the Tenant or which might adversely affect the Tenant's right to enter
32 into or perform under this Lease.

33

34

e. The Tenant has been represented (or has had the opportunity to be
35 represented) in the execution of this Lease by independent legal counsel.

36

37

f. There exists no actual or potential conflict of interest between its
38 performance under this Lease and its engagement or involvement in any other agreement,
39 or personal or professional activities. In the event such conflict or potential conflict
40 arises during the Term of this Lease, or any renewal thereof, the Tenant shall
41 immediately advise the City in writing thereof.

42

43

g. The representations set forth in the Lease shall be true and valid
44 throughout the Term.

45

46

27. ACCESS TO RECORDS

1
2 a. At any time during normal business hours with reasonable prior notice
3 from the City, and as often as the City may deem necessary, the Tenant shall make
4 available to and allow inspection and copying by the City, its employees or agents, of all
5 books, records, accounts, reports, information and documentation of the Tenant related to
6 the subject matter of this Lease, including, but not limited to, all contracts, invoices,
7 payroll, and financial audits.

8
9 b. The Tenant shall maintain all books, records, accounts, reports,
10 information and documentation required under this Lease for a period of at least three (3)
11 years after the date of termination of this Lease including any renewals, except in the
12 event of litigation or settlement of claims arising from the performance of this Lease, in
13 which case the Tenant shall do so until three (3) years after final adjudication of such
14 litigation or settlement of claims.

15 16 28. REMEDIES CUMULATIVE AND CONCURRENT

17
18 No remedy provided by this Lease or reserved to the City is intended to be
19 exclusive of any other remedies provided for in this Lease, and each such remedy shall be
20 cumulative, and shall be in addition to every other remedy given under this Lease, or now
21 or hereafter existing at law or in equity or by statute. Every right, power and remedy
22 given to the City shall be concurrent and may be pursued separately, successively or
23 together against the Tenant, and every right, power and remedy given to the City may be
24 exercised from time to time as often as may be deemed expedient by the City.

25 26 29. WAIVER OF REMEDIES FOR BREACH

27
28 No failure or delay by the City to insist upon the strict performance of any term,
29 condition or covenant of this Lease, or to exercise any right, power or remedy consequent
30 upon a breach or default thereof, shall constitute a waiver of any such term, condition or
31 covenant or of any such breach or default, or preclude the City from exercising any such
32 right, power or remedy at any later time or times.

33 34 30. INDEPENDENT CONTRACTOR STATUS

35
36 Nothing contained in this Lease shall be construed to constitute the Tenant as an
37 agent, representative or employee of the City, or to create any relationship between the
38 parties other than landlord and tenant.

39 40 31. BINDING EFFECT

41
42 The terms of this Lease shall be binding on and enforceable against the parties
43 and their respective successors and assigns.

44 45 32. GOVERNING LAW

46

1 a. In all actions arising from this Lease, the laws of the State of Maryland
2 shall govern, and the venue for all actions initiated pursuant to this Lease shall be
3 exclusively the Courts of Anne Arundel County, Maryland.

4
5 b. The parties waive jury trial in all actions initiated pursuant to this Lease.

6
7 33. RECITALS

8
9 The Recitals of this Lease are incorporated into this Lease.

10 34. SEVERABILITY

11 If any of the provisions of this Lease are declared by a court or other lawful
12 authority to be unenforceable or invalid for any reason, the remaining provisions hereof
13 shall not be affected thereby and shall remain enforceable to the full extent permitted by
14 law.

15
16 35. SURVIVAL

17
18 Those sections in this Lease which by their nature are intended to survive,
19 including, but not limited to, "Access to Reports", "Indemnification", "Defaults or
20 Breach", and "Governing Law" shall survive the termination of this Lease.

21 36. TIME IS OF THE ESSENCE

22
23 Time is of the essence with respect to each and every provision of this Lease.

24
25 37. AUTHORIZATION

26
27 This Lease is authorized by the City Council pursuant to Ordinance No. O-10-15,
28 as amended.

29
30 38. NOTICE

31
32 Any notice required to be delivered shall be deemed to have been received when
33 the notice has been sent by certified mail, return receipt, overnight carrier, or hand
34 delivered with signed receipt to the following address and individual or such other
35 address and/or such other individual as a party may identify in writing to the other party:

36
37 To the City: Director
38 Department of Recreation and Parks
39 273 Hilltop Lane
40 Annapolis, Maryland 21401

41
42 With a Copy to: City Attorney
43 Office of Law
44 160 Duke of Gloucester Street

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Annapolis, Maryland 21401

To the Tenant: Anne Arundel Medical Center
William C. West
2002 Medical Parkway
Annapolis, Maryland 21401

IN WITNESS WHEREOF, it is the intent of the parties that the Tenant has signed this Lease under seal and, further, that the parties have executed this Lease the day and year first written above.

WITNESS: ANNE ARUNDEL MEDICAL CENTER, INC.

By: _____
Name: _____ (Seal)
Title:

ATTEST: CITY OF ANNAPOLIS

Regina C. Watkins-Eldridge, MMC,
City Clerk
By: _____
Michael J. Pantelides, Mayor (Seal)

APPROVED FOR FINANCIAL SUFFICIENCY: REVIEWED AND APPROVED
BY:

Bruce T. Miller, Director
Finance Department

Thomas C. Andrews, City Manager

REVIEWED AND APPROVED BY:

Michael Morris, Director
Department of Recreation and Parks

1 **APPROVED FOR LEGAL FORM AND SUFFICIENCY***
2 (Subject to Execution by the City Mayor and City Council, if Indicated.)

3
4

5 **OFFICE OF THE CITY ATTORNEY**
6 *Approval of Legal Form and Sufficiency Does Not Convey Approval
7 or Disapproval of Substantive Nature of Transaction. Approval is
8 Based Upon Typeset Document. All Modifications Require Re-Approval.

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